CCSD's

DISABILITY INFORMATION SHEET

No. 12
2003

Persons with Disabilities and

- The Medical Expense Tax Credit
- Difficulties with Local Transit
- Children with Special Needs at School

In this 12th edition of the *CCSD's Disability Information Sheets*, we provide statistics on the medical expense tax credit and medication for persons with disabilities, using data from Statistics Canada's Participation and Activity Limitation Survey (PALS), 2001. We also provide statistics on difficulties that persons with disabilities experience with local transit, again using data from PALS 2001. And finally in this issue, we provide more information on children with special needs and their school experiences using data from the National Longitudinal Survey of Children and Youth (NLSCY), 1998.

Perhaps surprisingly, less than one-quarter of persons with disabilities reported that they had claimed the medical expense tax credit on their income tax form. Of those who had submitted a claim, persons who reported that at some point they were unable to buy the medication they required due to cost concerns and those with severe or most severe disabilities were the least likely to be successful with their medical expense claim.

We also found that among persons with disabilities, women, people aged 45 to 64, and those aged 75 and older were the most likely to report that they were prevented from using some type of local transit service. Somewhat surprisingly, persons with memory disabilities and those with speech disabilities reported having the most difficulty overall with local transit.

Finally, we found that children aged 10 to 15 with special needs were more likely to feel that their teachers did not treat them fairly at school, and they were less likely to report that they got extra help if they needed it from their teachers.

It should be noted that national-level PALS data do not include residents in the Yukon, the Northwest Territories, or Nunavut. As well, the PALS data presented here apply only to the adult population aged 15 and older in households.

THE MEDICAL EXPENSE TAX CREDIT

In *Information Sheet* No. 11, we presented statistics on medication use among persons with disabilities and difficulties some people had in getting the required medication due to cost concerns. In this *Information Sheet*, we continue this line of investigation by looking at the use of the medical expense tax credit.

Relief for those unable to pay?

Does the medical expense tax credit provide some financial relief to persons with disabilities who are unable to purchase the medication they require due to cost considerations? This tax credit is designed to provide tax relief for individuals who have sustained high medical expenses, such as high medication costs for themselves or their dependants. As summarized in Table 1, both those who were unable to buy the required medication due to cost concerns and those who reported that they were *never* unable to buy the required medication due to cost were almost equally likely to have claimed the medical expense tax credit (22.2% and 21.4% respectively).[1]

Table 1

Persons with Disabilities who *Claimed* Medical Expense Tax Credit, by Inability to get Required Medication Due to Cost, 2001

Claimed Medical Expense Tax Credit (METC)	Unable to get medication due to cost	Never unable to get medication due to cost
Claimed METC	22.2%	21.4%
Did not claim METC	63.7%	61.9%
Don't know if METC was claimed	14.1%	16.8%
Total	100.0%	100.1%

Note: Adults aged 15 and older with disabilities were included in this analysis, except those residing in the Yukon, Northwest Territories and Nunavut.
Source: Calculations by the Canadian Council on Social Development using data from PALS, 2001.

[1] When dealing with these data, three categories of variables for the medical expense tax credit (METC) are reported here for analysis: (1) claimed METC; (2) did not claim METC; and (3) do not know if claimed METC. Those who responded that they "did not know" were included in the analysis as a separate category since they represented a fairly high proportion of the population, and it is known that many individuals do not prepare their own tax returns and, therefore, may be uncertain about such particulars. It is quite likely that a certain percentage of those who "did not know" whether they had claimed the METC, had actually done so. Therefore, some of those who actually did claim the METC are likely to be "hidden" in the "I don't know" category.

In addition, there were also individuals who "refused" to answer this question or skipped it. The proportion of such cases is very small. In this *Information Sheet*, these were treated as "missing cases" and eliminated from the analysis. Percentages presented here may vary slightly from those reported elsewhere by Statistics Canada, depending on the chosen treatment of these missing cases.

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Another interesting finding in Table 1 is that such a low proportion of people who required medication but couldn't afford it had actually claimed the medical expense tax credit (22.2%). It is important to remember, however, that the medical expense tax credit is non-refundable. That means it reduces the amount of income taxes owed and is transferable to supporting family members. But many individuals with disabilities have little or no taxable income, making this non-refundable tax credit of little value to them. As well, many persons with disabilities live alone or in low-income families where transferring the benefit is not possible or is of little value. It is also important to remember that people must pay for their medical expenses at the time they are incurred. Any resulting financial relief from taxes owed will not be realized until the end of that year, once the person's income taxes have been filed. For those who cannot come up with the money to pay for their medication when it is needed, the promise of future tax relief some months down the road may be of limited value.

If we examine only those persons who knew they had claimed the medical expense tax credit on their income tax form, it is interesting to note that those who were unable to get medication due to cost concerns were actually *less likely* to receive the tax credit – 71.3%, compared with 76.4% for those who reported that they were never unable to buy medication due to cost factors (see Table 2). One might have hoped that those who were most in need of financial relief would have been the most likely to be successful in obtaining a tax credit for their medical expenses. Yet, 15.9% of those unable to get medication due to costs involved did not receive the medical expense tax credit they had claimed, compared with 10.6% of those who were never unable to get their medication due to cost concerns. People living on very low incomes may not have received the benefit because it is non-refundable and they had no taxable income. Yet it is these individuals on low incomes who would be the most likely to have difficulty buying the medication in the first place.

Table 2

Persons with Disabilities who *Received Medical Expense Tax Credit, by Inability to get Required Medication Due to Cost, 2001**

Received Medical Expense Tax Credit (METC)	Unable to get medication due to cost	Never unable to get medication due to cost
Received METC	71.3%	76.4%
Did not receive METC	15.9%**	10.6%
Don't know if METC was received	12.8%**	13.0%
Total	100.0%	100.0%

* This applies only to those who reported that they knew they had applied for the METC.

** Numbers should be used with caution.

Note: Adults aged 15 and older with disabilities were included in this analysis, except those residing in the Yukon, Northwest Territories and Nunavut.

Source: Calculations by the Canadian Council on Social Development using data from PALS, 2001.

SEVERITY of DISABILITY[2]

Severity of the disability appears to have an impact on the claiming or receipt of the medical expense tax credit. As summarized in Table 3, persons with severe or very severe disabilities were slightly more likely than those with mild disabilities to have claimed the medical expense tax credit (22.7% compared with 19.4%); they were also more likely to be uncertain about whether or not they had claimed the medical expense tax credit (18.6% compared with 14.1%). Those with severe or very severe disabilities were less likely than those with mild disabilities to report that they had not claimed the medical expense tax credit (58.7% compared with 66.5%). These findings are in the direction that we might have expected, given that those with more severe disabilities are more likely to report regular medication use.

Among those who claimed the medical expense tax credit, does the success rate vary by severity level? Table 4

Table 3

Persons with Disabilities who *Claimed* Medical Expense Tax Credit, by Severity of Disability, 2001

Claimed Medical Expense Tax Credit (METC)	Mild	Moderate	Severe/ Very severe
Claimed METC	19.4%	22.3%	22.7%
Did not claim METC	66.5%	61.4%	58.7%
Don't know if METC was claimed	14.1%	16.3%	18.6%
Total	100.0%	100.0%	100.0%

Note: Adults aged 15 and older with disabilities were included in this analysis, except those residing in the Yukon, Northwest Territories and Nunavut.
Source: Calculations by the Canadian Council on Social Development using data from PALS, 2001.

Table 4

Persons with Disabilities who *Received Medical Expense Tax Credit, by Severity of Disability, 2001**

Received Medical Expense Tax Credit (METC)	Mild	Moderate	Severe/ Very severe
Received METC	80.7%	75.3%	73.4%
Did not receive METC	8.3%	13.1%**	11.9%
Don't know if METC was received	11.0%	11.5%	14.7%
Total	100.0%	99.9%	100.0%

* This applies only to those who reported that they knew they had applied for the METC.
** Numbers should be used with caution.
Note: Adults aged 15 and older with disabilities were included in this analysis, except those residing in the Yukon, Northwest Territories and Nunavut.
Source: Calculations by the Canadian Council on Social Development using data from PALS, 2001.

[2] Severity level is based on an index that is influenced by the intensity of the activity limitation as well as the number of different types of activity limitations faced by an individual. The "severe" and "very severe" categories have been combined here.

suggests that those with severe or very severe disabilities were actually *less likely* than those with mild disabilities to report that they had received the medical expense tax credit they had claimed (73.4% compared with 80.7%). They were more likely to report that they had not received the credit (11.9% compared with 8.3%) or that they did not know whether they had received it (14.7% compared with 11%). As with those who were unable to buy the medication they required, those with the most severe disabilities appear to be the least successful at taking advantage of the medical expense tax credit.

A great deal more work still needs to be done with these data. We need to understand more about the reasons why some individuals who claimed the medical expense tax credit did not receive it. We also need to understand this in the context of differences in income levels, work activity, and living arrangements. As well, these data should be examined in conjunction with an analysis of the type of income received – such as earnings, social assistance, or other pension income – and whether the people have access to health care packages. All of these analyses would be helpful in better understanding these results.

DIFFICULTIES with LOCAL TRANSIT

Issues involving local transit services are of concern to many of our readers, because local transit is a key element in access to employment, education, health care, and citizenship. We hear concerns from across the country about the adequacy of local transit services to meet the needs of persons with disabilities. Statistics Canada has developed a "local travel indicator" from the PALS 2001 data which summarizes the state of local transit for persons with disabilities – which includes specialized bus services, or local transportation, including buses, subways and taxis – into the following categories:

- those who reported that they were prevented from travelling locally using local transit services;
- those who travelled using local transit services, but experienced some difficulty;
- those who travelled using local transit services and had no difficulty; and
- those who did not travel using local transit services but were not prevented from doing so, as well as those who failed to provide an answer to the local transit questions (the "other" category).

Gender and Age

Table 5 summarizes the local travel indicator by age and gender for persons with disabilities. In the first two columns, all four categories of the local transit indicator have been included in the percentages. In the second two columns, the "other" category has been excluded. Essentially, these latter columns represent the experiences of only those individuals who expressed an interest in using local transit.

Table 5

Statistics Canada's Local Travel Indicator, by Age Group and Gender, 2001

	Includes "Other"* Category		Without "Other"* Category	
Age Group	**Male**	**Female**	**Male**	**Female**
Aged 15 to 34				
Prevented from travelling	3.1%**	3.9%**	6.4%**	8.0%**
Travelled, but had difficulty	7.3%	8.1%	15.3%	16.5%
Travelled and had no difficulty	37.5%	37.0%	78.3%	75.5%
Other*	52.1%	51.0%	–	–
Total	100.0%	100.0%	100.0%	100.0%
Aged 35 to 44				
Prevented from travelling	2.8%**	4.1%**	7.7%**	10.2%**
Travelled, but had difficulty	6.1%**	8.4%	16.7%**	21.2%
Travelled and had no difficulty	27.5%	27.3%	75.6%	68.6%
Other*	63.6%	60.2%	–	–
Total	100.0%	100.0%	100.0%	100.0%
Aged 45 to 64				
Prevented from travelling	3.6%	4.6%	13.6%	13.5%
Travelled, but had difficulty	3.3%**	5.9%	12.5%**	17.3%
Travelled and had no difficulty	19.5%	23.5%	74.0%	69.2%
Other*	73.6%	66.0%	–	–
Total	100.0%	100.0%	100.0%	100.0%
Aged 65 to 74				
Prevented from travelling	1.6%**	2.8%	6.3%**	8.3%
Travelled, but had difficulty	2.6%**	6.1%**	10.1%**	17.8%**
Travelled and had no difficulty	21.8%	25.3%	83.6%	74.0%
Other*	74.0%	65.8%	–	–
Total	100.0%	100.0%	100.0%	100.0%
Aged 75 and over				
Prevented from travelling	4.6%	5.9%	15.0%	15.0%
Travelled, but had difficulty	4.7%**	4.4%**	15.1%**	11.1%**
Travelled and had no difficulty	21.7%	29.2%	69.9%	73.9%
Other*	69.0%	60.5%	–	–
Total	100.0%	100.0%	100.0%	100.0%

* The "Other" category includes respondents who did not travel locally by specialized bus or local public transportation and were not prevented from doing so, as well as those who did not provide a response to one or more of the local travel questions.

** Numbers should be used with caution.

Note: Adults aged 15 and older with disabilities were included in this analysis, except those residing in the Yukon, Northwest Territories and Nunavut.

Source: Calculations by the Canadian Council on Social Development using data from PALS, 2001.

First, the size of the "other" category in the first two columns of Table 5 varies somewhat by age and gender. Overall, women were less likely than men to be in this "other" category. Does this suggest a greater reliance on public transit for women with disabilities? Similarly, younger persons – particularly those aged 15 to 34 – were least likely to be in the "other" category. Does this suggest a greater reliance on public transit among young people with disabilities? The greatest gender gap can be seen among young seniors – that is, those aged 65 to 74 – where 74% of the men and 65.8% of the women were found in the "other" category. Further investigation of local travel by car, income level, living arrangements, and a number of other key variables would help to answer some of these questions.

Second, when we examine only those who expressed an interest in using local transit services (the final two columns of Table 5), we get a better picture of the difficulty experienced by those who actually used or tried to use public transit. Within most age groups, men were more likely than women to report that they travelled without difficulty using local transit services. (The exception to this can be seen with those aged 75 and older.) Women were more likely to report that they were prevented from using local transit services. Among men, younger seniors were the most likely to travel without difficulty and older seniors were the most likely to have experienced difficulties or been prevented from using local transit. Among women, those aged 35 to 44 and those aged 45 to 64 reported the greatest difficulties with local transit services.

Disability Type

When we examine the local travel indicator by disability type, we see some surprising things. Table 6 excludes the "other" category and focuses on those who either used local transit services or were prevented from doing so. When we think about disability types that might present problems with transportation, typically we think of mobility and agility disabilities. Yet while those with mobility and agility disabilities certainly reported having problems with local transit services (13.6% and 13.8% respectively were prevented from using local transit), it was persons with memory disabilities and speech disabilities who were the most likely to report that they were prevented from taking local transit services (17.2% and 16.3% respectively).

Is it possible that persons with these types of disabilities experience difficulties using regular public transit and are less likely to qualify for special transit services? Are people with these types of disabilities "falling between the cracks" in terms of transit services? These data suggest that a re-examination of local transit services might be in order. It is also important to remember, however, that many individuals have multiple types of disabilities. Further analysis of the groupings of disability types needs to be done before we can fully understand these data.

Table 6 **Statistics Canada's Local Travel Indicator, by Disability Type, 2001**
(For those expressing some interest in local transit)

	Hearing	Seeing	Speech	Mobility	Agility	Pain	Learning	Memory	Development	Psychological
Prevented from travelling	11.9%	14.3%	16.3%	13.6%	13.8%	12.9%	14.0%	17.2%	8.0%**	14.6%
Travelled, but had difficulty	15.2%	20.2%	19.2%	18.4%	19.0%	18.0%	20.0%	21.9%	18.1%**	22.1%
Travelled, and had no difficulty	72.9%	65.5%	64.5%	68.0%	67.2%	69.1%	66.0%	61.0%	73.9%	63.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.1%	100.0%	100.1%

** Numbers should be used with caution.
Notes. This table excludes the "Other" category. See note in Table 5 for definition. It also excludes "Unknown" disability type. Due to small sample size, that estimate cannot be released. Adults aged 15 and older with disabilities were included in this analysis, except those residing in the Yukon, Northwest Territories and Nunavut. Many individuals have more than one type of disability.
Source: Calculations by the Canadian Council on Social Development using data from PALS, 2001.

CHILDREN with SPECIAL NEEDS

Here, we return to the National Longitudinal Survey of Children and Youth for more data on the school experiences of children aged 10 to 15 with special needs. Table 7 provides an indication of the interactions these children felt they had with their teachers. While we might assume that students with special needs would require extra help from their teachers, these data indicate that it was the children without special needs who were the most likely to report that they had received extra help "all or most of the time" when they had needed it – 85.4% compared with 80.1% for children with special needs.

Children with no special needs were also more likely than those with special needs to report that they felt their teachers treated them fairly "all or most of the time" – 86.9% compared with 77.2%.

Table 7 **Children with and without Special Needs getting Extra Help and Fair Treatment from the Teacher, 1998**

	Extra help?*		Treated fairly?*	
	With special needs	No special needs	With special needs	No special needs
All/most of the time	80.1%	85.4%	77.2%	86.9%
Some of the time	12.0%	9.5%	15.1%	9.5%
Rarely or never	7.8%**	5.1%	7.7%**	3.7%
Total	100.0%	100.0%	100.0%	100.1%

* The actual wording on the NLSCY questionnaire was: "If I need extra help, my teachers give it to me." and "In general, my teachers treat me fairly."
** Figures are less reliable due to small sample size.
Notes: Includes children aged 10 to 15 years. Special needs includes learning and emotional disabilities, as well as physical disabilities. See *CCSD's Disability Information Sheet* No. 3 for more details.
Source: Calculations by the Canadian Council on Social Development using data from the NLSCY, 1998.